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UNCLAS SECTION 01 OF 03 STATE 128592

FROM COORDINATOR FOR RECONSTRUCTION AND SIPDIS
STABILIZATION JOHN E. HERBST

E.O. 12958: N/A

TAGS: [KCRS](#) [PREL](#) [PGOV](#) [EAID](#)

SUBJECT: GUIDANCE FOR FY 10 SECTION 1207 PROCESS

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11. (U) The Office of the Coordinator for Reconstruction and Stabilization (S/CRS) is pleased to inform posts of \$100 million in Section 1207 funding authorized in FY 2010 for reconstruction and stabilization projects. The purpose of this message is to provide guidance on the Section 1207 process for FY10. End Summary.

1207 Goals and Principles

12. (U) Since FY06, the Office of the Coordinator for Reconstruction and Stabilization (S/CRS), in coordination with the Office of the Director of U.S. Foreign Assistance (F), USAID and DOD, has administered Section 1207 funds. The 1207 authority allows DOD to transfer funds to State to provide immediate reconstruction, security, or stabilization assistance to a foreign country for the purpose of restoring or maintaining peace and security in that country.

13. (U) Based on this authorization and further refined and informed by conference language and briefings with the State and Defense Congressional oversight and appropriations committees plus four years of considered 1207 project selection processes, the 1207 interagency review committee has established these principles to determine the appropriateness and eligibility of a country for 1207 funding:

a) Countries/regions should demonstrate a high or escalating risk of conflict or instability, neglect of which could impact U.S. national security and policy interests.

b) Countries/regions will be selected based on inter-agency consensus that providing 1207 resources can address root causes of conflict and instability or strengthen local sources of resilience, thereby diminishing the probability of U.S. military intervention, reducing possible stress on U.S. forces or decreasing the space for activities that may threaten U.S. national security.

c) Activities will only be funded if they address urgent or emergent issues and could not, therefore, be considered for funding through the normal annual foreign assistance budget request or appropriations process.

d) Programs should reflect a whole-of-government perspective following wide consultation in the field and in Washington.

e) Countries/regions selected should face urgent or emergent risks or threats or immediate reconstruction and stabilization emergencies that can be measurably impacted through the allocation of a one-time injection of 1207 funds.

f) Projects should be designed to leverage host government and local contributions and participation where possible and appropriate.

Identifying Countries

14. (U) For the FY10 process, S/CRS will work with the interagency 1207 Review Committee and DAS-level 1207 Selection Committee (both committees have representatives from S/CRS, F, USAID, OSD, and Joint Staff) to identify by

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early January a list of countries that will be invited to submit 1207 proposals. Those Embassies will be contacted by S/CRS directly to inform them of this decision. Identification of a country does not guarantee 1207 funding; this is dependent on the needs of the country, the continued interest of the Embassy and implementing bureaus, and available funds. This process will also be informed by an on-going series of S/CRS hosted informal discussions with State and USAID regional and functional bureaus, DOD's OSD and Combatant Commands to identify a targeted group of countries most appropriate for conflict prevention and stabilization efforts, including consideration for 1207 funds.

15. (U) While we expect to spend most of the 1207 funds on identified countries, we want to maintain sufficient flexibility to respond to evolving crises or otherwise overlooked stabilization needs. Therefore, Embassies which believe they are good candidates for 1207 funding, but are not included in this list, should be in touch with their regional bureau POC (see para 12) and S/CRS to discuss options for proposing their own project. Combatant Commands which believe they have good candidate countries that are not on the list should contact the Joint Staff (J5) to discuss options for proposing their own projects.

Engagement with Embassies

16. (U) Our goal is to help Embassies submit the strongest possible proposals, consistent with the goals of the legislation. Once targeted countries are identified, S/CRS staff will offer to work with Embassies in these countries to develop a whole-of-government approach to address an evolving crisis or root causes of instability. Upon request, we will help these embassies develop a crisis prevention strategy and aid in the development of relevant projects

consistent with 1207 principles for funding from the \$100 million authorized in FY 2010. Posts are strongly encouraged to share draft proposals with their S/CRS point of contact, who will then consult with relevant interagency stakeholders and provide timely review and comment.

¶7. (U) S/CRS strongly recommends that, as a first step in this engagement, Embassies work with S/CRS to organize an Interagency Conflict Assessment Framework (ICAF) analysis, either at post or in Washington, to identify key issues promoting or constraining instability and to locate gaps in current prevention efforts [NOTE: For further background on the ICAF, please go to www.crs.state.gov, and click on "key issues" and then click on "ICAF"].

¶8. (U) For DOD, Combatant Commands will prioritize proposals and make recommendations through the Joint Staff (J5) for consideration by the Chief of Mission.

Review Process -----

¶9. (U) Once proposals are finalized, and formally submitted to S/CRS by the Chief of Mission and approved by the relevant State regional bureau Assistant Secretary, S/CRS will convene the interagency 1207 Review Committee to recommend projects to the DAS-level 1207 Selection Committee for funding (both committees have representatives from S/CRS, F, USAID, OSD and Joint Staff). S/CRS will then recommend approved projects through the Director of Foreign Assistance (F) to the Secretary of State for DOD funding. Funding is subject to availability and, when conditions warrant, could

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be reallocated by the Secretary of State, with Secretary of Defense concurrence, for security, stabilization, and reconstruction crises.

Proposed Time Line -----

¶10. (U) Project review and funding will be done on a rolling basis, so all applications will be evaluated for funding as they are finalized. Applications will not be accepted after April 16, and we intend to finalize all project recommendations by June 1. Depending upon how quickly awards are approved, funds should be available between June and September.

1207 Funds for Crisis Response -----

¶11. (U) 1207 funds are to be used to respond to immediate security, stabilization, or reconstruction crises that cannot wait for the normal budget cycle (but generally not for humanitarian crises, which have their own contingency funds). Such crises will normally be identified by senior State, USAID or DOD leadership. 1207 funds may also be used for program support following the mobilization of the Civilian Response Corps of S/CRS, USAID and other agencies for crisis deployments and for related security, stabilization, and reconstruction programs.

POCs -----

¶12. (U) For further information on the 1207 program, please e-mail SCRS1207@state.gov or contact Claire Sneed (SneedCD@state.gov or 703-875-6723). Each State regional bureau has a point of contact who can help post further understand the program. They are: AF/RSA: Julie Chalfin; EUR/ACE: Mike Litwinowicz and Dan Froman; NEA/RA: William Huggins; SCA/RA: Aisha Sabar; WHA/PPC: Jenna Ben-Yehuda; EAP/RSP: Kim Archea. Please keep your regional bureau POC informed of all correspondence with S/CRS. For Combatant Commands, please contact Lt Col Glenn Roettger, Joint Staff J-5, at Glenn.Roettger@js.pentagon.mil. For USAID, please contact Melissa Brown in COO at MEBrown@USAID.gov.

Further Information

¶13. (U) Copies of the FY10 1207 Guiding Principles, an outline of the process, and other information is available at www.crs.state.gov. From the S/CRS home page, click on "key issues" and then click on "1207 Resources."

¶14. Minimize Considered
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